

**SECTION III – REPORTING**  
**CHAPTER 7 – SYNOPSIS AND CORRECTIVE ACTION PLAN**

**Synopsis and Hearing of Audit**

**N.J.S.A. 18A:23-3 states in part that "The Commissioner annually shall publish a summary of such recommendations as made for each school district and the steps which have been taken in each district for their implementation."**

**N.J.S.A. 18A:23-4 states “ The secretary of the board shall prepare or have prepared a synopsis or summary of the annual audit and recommendations, prior to the holding of the meeting of the board of education to take action thereon; A copy of which synopsis or summary shall be available for distribution to interested parties at the meeting.”**

In order to comply with the above requirements, it is requested that the Secretary of the Board prepare the audit synopsis under the following format:

**Pre-GASB 34**

- a. Combined Balance Sheet-All Fund Types and Account Groups (Exhibit A-1).
- b. Combined Statement of Revenues, Expenditures and Changes in Fund Balances-All Governmental Fund Types (Exhibit A-2).
- c. Combined Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (Exhibit A-3).
- d. Reflect each audit recommendation under the applicable heading listed below:
  1. Administrative Practices & Procedures
  2. Financial Planning, Accounting & Reporting
  3. School Purchasing Programs
  4. School Food Service
  5. Student Body Activities
  6. Application for State School Aid
  7. Pupil Transportation
  8. Facilities and Capital Assets
  9. Miscellaneous
  10. Follow-up on prior year findings
- e. A copy of the minutes of the board meeting at which the audit recommendations were read and discussed must be filed with the county superintendent of schools together with the synopsis within 30 days following the meeting at which the audit was discussed. **Specific board action and disposition of each audit recommendation must be duly noted in the minutes of the board. A general statement of the Board's acceptance of the audit and recommendations is NOT in compliance with N.J.S.A. 18A:23-3 and 23-4. In addition, the minutes must address the corrective actions voted by the board and a completed Corrective Action Plan must be included with the synopsis.**

The copy of the minutes, synopsis and corrective action plan will be filed with the State Department of Education by the county office after they have been reviewed for accuracy and completeness. See the following page for a sample Corrective Action Plan.

The school business administrator must submit a certification when all corrective actions have been fully implemented, but no later than June 30th of the subsequent fiscal year. The certification letter is to be submitted to the Office of Fiscal Policy and Planning.

**GASB 34 Model**

- a. **Governmental Funds Balance Sheet (Exhibit B-1).**
- b. **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit B-2).**
- c. Reflect each audit recommendation under the applicable heading listed below:
  1. Administrative Practices & Procedures
  2. Financial Planning, Accounting & Reporting
  3. School Purchasing Programs
  4. School Food Service
  5. Student Body Activities
  6. Application for State School Aid
  7. Pupil Transportation
  - 8. Facilities and capital assets**
  9. Miscellaneous
  10. Follow-up on prior year findings
- d. A copy of the minutes of the board meeting at which the audit recommendations were read and discussed must be filed with the county superintendent of schools together with the synopsis within 30 days following the meeting at which the audit was discussed. **Specific board action and disposition of each audit recommendation must be duly noted in the minutes of the board. A general statement of the Board's acceptance of the audit and recommendations is NOT in compliance. In addition, the minutes must address the corrective actions voted by the board and a completed Corrective Action Plan must be included with the synopsis.**

The copy of the minutes, synopsis and corrective action plan will be filed with the State Department of Education by the county office after they have been reviewed for accuracy and completeness. See the following page for a sample Corrective Action Plan.

The school business administrator must submit a certification when all corrective actions have been fully implemented, but no later than June 30th of the subsequent fiscal year. The certification letter is to be submitted to the Office of Fiscal Policy and Planning.

**CORRECTIVE ACTION PLAN**

NAME OF SCHOOL \_\_\_\_\_ COUNTY \_\_\_\_\_

TYPE OF AUDIT \_\_\_\_\_

DATE OF BOARD MEETING \_\_\_\_\_

CONTACT PERSON \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

RECOMMENDATION NUMBER	CORRECTION ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
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\_\_\_\_\_  
CHIEF SCHOOL ADMINISTRATOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

\_\_\_\_\_  
DATE

c: County Superintendent